



Request for City Council Committee Action from the Information Technology Department

Date December 3, 2012

To: The Honorable Betsy Hodges, Chair, Ways & Means Committee

Subject: Extension of SwiftReach Networks, Inc. Contract C-25455 through June 30, 2014

Recommendation: Authorize proper City officials to extend contract C-25455 with SwiftReach Networks, Inc. by 16 months, through June 30, 2014, for high speed, community notification services.

Prepared by Elise Ebhardt, Interagency Coordinator, 612-673-2026

Submitted by Otto Doll _____, 673-3633
Chief Information Officer

Approved by Paul Aasen _____
City Coordinator

Presenter in Committee Otto Doll

Policy Review Group X Not Applicable

Permanent Review Committee (PRC) X Approved 11/8/12

Prior Related Directives:

- December 10, 2004: Authorization for proper City officials to enter into a contract with SwiftReach Networks, Inc., to provide automated telephone alerts to Minneapolis residents when snow emergencies are declared.
- September 22, 2006 Authorization to extend contract C-21289 with SwiftReach Networks, Inc., to provide automated telephone alerts to residents regarding the declaration of snow emergencies and other emergency and non-emergency purposes from October 30, 2006 to August 31, 2007.
- June 29, 2007: Authorization to issue Request for Proposals for Broadcast Messaging System.
- December 21, 2007: Authorization to execute a contract with SwiftReach Networks, Inc. for an estimated cost of \$300,000 over a three year term with two additional one-year options to renew.

Financial Impact: None. No additional appropriation is required.

Financial Impact (Check those that apply)

- ☒ No financial impact (If checked, go directly to Background/Supporting Information)
- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):
- ☒ Request provided to department's finance contact prior to the Committee Coordinator

Background/Supporting Information

The City currently has a contract (C-25455) with SwiftReach Networks, Inc. to provide the hosted services used by the City for high speed messaging services. The primary use of the service is for voice messaging used for snow emergency and street sweeping alerts. Voice messaging is also used by various departments for a variety of community notifications, and for internal emergency and other employee callouts. The current contract expires February 14, 2013 and has a total contract value of \$500,000 over five years. To date only \$247,000 has been expended.

High speed messaging services have continued to evolve and City staff are aware of a variety of service providers and other governmental users. Dakota County uses another service provider and staff has found that a comparison of costs shows that the City's current contract with SwiftReach Networks is competitive.

Currently, services for voice, text, e-mail and social media are provided by different service providers. As City interest continues to grow regarding the potential uses of the variety of messaging platforms and outlets, and given the evidence that our current voice messaging service provider is cost competitive, Information Technology (IT) is recommending to extend contract C-25455 through June 30, 2014 while IT and department users review solution options and work towards developing a Request for Proposals. Based upon historical usage, the contract appropriation does not need to be increased.

The Permanent Review Committee approved the request to extend the contract on 11/8/12.

Request for Approval

IT recommends authorization for the proper City officials to extend contract C-25455 with SwiftReach Networks, Inc. by 16 months, through June 30, 2014, for high speed community notification services.

Funding for the contract is covered within the existing IT cost allocation model, paid for by City users of the service.